

AMENDED IN ASSEMBLY FEBRUARY 23, 2009

CALIFORNIA LEGISLATURE—2009—10 REGULAR SESSION

ASSEMBLY BILL

No. 23

Introduced by Assembly Member Jones

December 1, 2008

An act to amend Section 14011.16 of, to amend and repeal Section 14005.25 of, and to repeal Section 14011.18 of, the Welfare and Institutions Code, relating to ~~health care coverage~~ Medi-Cal.

LEGISLATIVE COUNSEL'S DIGEST

AB 23, as amended, Jones. ~~Health care coverage. Medi-Cal:~~ *continuous eligibility.*

Existing law establishes the Medi-Cal program, administered by the State Department of Health Care Services, under which basic health care services are provided to qualified low-income persons. The Medi-Cal program is partially governed and funded under federal Medicaid provisions.

Existing law, until January 1, 2012, requires the department, subject to the availability of federal financial participation, to exercise a federal option to expand continuous eligibility to children 19 years of age and younger for 6 months, after which date the continuous eligibility period shall be from the date of a determination of eligibility to the earlier of either the end of a 12-month period following the eligibility determination or the date the child exceeds 19 years of age.

This bill would eliminate the provisions limiting continuous eligibility to 6 months, would make those provisions that become operative on January 1, 2012, applicable commencing January 1, 2010, and would make conforming changes.

~~Existing law does not provide a system of health care coverage for all California residents. Existing law provides for the creation of various programs to provide health care services to persons who have limited incomes and meet various eligibility requirements. These programs include the Healthy Families Program administered by the Managed Risk Medical Insurance Board and the Medi-Cal program administered by the State Department of Health Care Services. Existing law provides for the regulation of health care service plans by the Department of Managed Health Care and health insurers by the Department of Insurance.~~

~~This bill would declare the intent of the Legislature to accomplish the goal of universal health care coverage for all California residents within 5 years, as specified.~~

Vote: majority. Appropriation: no. Fiscal committee: ~~no~~ yes.
State-mandated local program: no.

The people of the State of California do enact as follows:

1 SECTION 1. Section 14005.25 of the Welfare and Institutions
2 Code, as amended by Section 27 of Chapter 758 of the Statutes of
3 2008, is amended to read:
4 14005.25. (a) To the extent federal financial participation is
5 available, the department shall exercise the option under Section
6 1902(e)(12) of the federal Social Security Act (42 U.S.C. Sec.
7 1396a(e)(12)) to extend continuous eligibility to children 19 years
8 of age and younger. A child shall remain eligible pursuant to this
9 subdivision from the date of a determination of eligibility for
10 Medi-Cal benefits until the earlier of either:
11 (1) The end of a 12-month period following the eligibility
12 determination.
13 (2) The date the individual exceeds the age of 19 years.
14 (b) This section shall be implemented only if, and to the extent
15 that, federal financial participation is available.
16 (c) Notwithstanding Chapter 3.5 (commencing with Section
17 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
18 the department shall, without taking regulatory action, implement
19 this section by means of all county letters or similar instructions.
20 Thereafter, the department shall adopt regulations in accordance
21 with the requirements of Chapter 3.5 (commencing with Section
22 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

1 ~~(d) In order to implement changes in the level of funding for~~
2 ~~health care services, commencing on the first day of the month~~
3 ~~following 90 days after the operative date of amendments to this~~
4 ~~section that added this subdivision, the continuous eligibility time~~
5 ~~period provided in paragraph (1) of subdivision (a) shall be reduced~~
6 ~~to six months.~~

7 ~~(e) This section shall remain in effect only until January 1, 2012,~~
8 ~~and as of that date is repealed, unless a later enacted statute, that~~
9 ~~is enacted before January 1, 2012, deletes or extends that date.~~

10 *SEC. 2. Section 14005.25 of the Welfare and Institutions Code,*
11 *as added by Section 28 of Chapter 758 of the Statutes of 2008, is*
12 *repealed.*

13 ~~14005.25.—(a) To the extent federal financial participation is~~
14 ~~available, the department shall exercise the option under Section~~
15 ~~1902(e)(12) of the federal Social Security Act (42 U.S.C. See.~~
16 ~~1396a(e)(12)) to extend continuous eligibility to children 19 years~~
17 ~~of age and younger. A child shall remain eligible pursuant to this~~
18 ~~subdivision from the date of a determination of eligibility for~~
19 ~~Medi-Cal benefits until the earlier of either:~~

20 ~~(1) The end of a 12-month period following the eligibility~~
21 ~~determination.~~

22 ~~(2) The date the individual exceeds the age of 19 years.~~

23 ~~(b) This section shall be implemented only if, and to the extent~~
24 ~~that, federal financial participation is available.~~

25 ~~(c) Notwithstanding Chapter 3.5 (commencing with Section~~
26 ~~11340) of Part 1 of Division 3 of Title 2 of the Government Code,~~
27 ~~the department shall, without taking regulatory action, implement~~
28 ~~this section by means of all county letters or similar instructions.~~
29 ~~Thereafter, the department shall adopt regulations in accordance~~
30 ~~with the requirements of Chapter 3.5 (commencing with Section~~
31 ~~11340) of Part 1 of Division 3 of Title 2 of the Government Code.~~

32 ~~(d) This section shall become operative on January 1, 2012.~~

33 *SEC. 3. Section 14011.16 of the Welfare and Institutions Code*
34 *is amended to read:*

35 14011.16. (a) Commencing August 1, 2003, the department
36 shall implement a requirement for beneficiaries to file semiannual
37 status reports as part of the department's procedures to ensure that
38 beneficiaries make timely and accurate reports of any change in
39 circumstance that may affect their eligibility. The department shall
40 develop a simplified form to be used for this purpose. The

1 department shall explore the feasibility of using a form that allows
2 a beneficiary who has not had any changes to so indicate by
3 checking a box and signing and returning the form.

4 (b) Beneficiaries who have been granted continuous eligibility
5 under Section 14005.25 shall not be required to submit semiannual
6 status reports. To the extent federal financial participation is
7 available, all children under 19 years of age shall be exempt from
8 the requirement to submit semiannual status reports.

9 ~~(c) For any period of time that the continuous eligibility period~~
10 ~~described in paragraph (1) of subdivision (a) of Section 14005.25~~
11 ~~is reduced to six months, subdivision (b) shall become inoperative,~~
12 ~~and all children under 19 years of age shall be required to file~~
13 ~~semiannual status reports.~~

14 ~~(d)~~

15 (c) Beneficiaries whose eligibility is based on a determination
16 of disability or on their status as aged or blind shall be exempt
17 from the semiannual status report requirement described in
18 subdivision (a). The department may exempt other groups from
19 the semiannual status report requirement as necessary for simplicity
20 of administration.

21 ~~(e)~~

22 (d) When a beneficiary has completed, signed, and filed a
23 semiannual status report that indicated a change in circumstance,
24 eligibility shall be redetermined.

25 ~~(f)~~

26 (e) Notwithstanding Chapter 3.5 (commencing with Section
27 11340) of Part 1 of Division 3 of Title 2 of the Government Code,
28 the department shall implement this section by means of all county
29 letters or similar instructions without taking regulatory action.
30 Thereafter, the department shall adopt regulations in accordance
31 with the requirements of Chapter 3.5 (commencing with Section
32 11340) of Part 1 of Division 3 of Title 2 of the Government Code.

33 ~~(g)~~

34 (f) This section shall be implemented only if and to the extent
35 federal financial participation is available.

36 *SEC. 4. Section 14011.18 of the Welfare and Institutions Code*
37 *is repealed.*

38 ~~14011.18. (a) On or before December 15, 2010, the State~~
39 ~~Department of Health Care Services shall report to the fiscal and~~
40 ~~health policy committees of the Legislature on the effects of~~

1 reducing the time period of continuous eligibility for children and
2 imposing a semiannual status reporting requirement to maintain
3 Medi-Cal eligibility for children. The report shall include all of
4 the following information:

5 (1) The number of children enrolled in Medi-Cal by eligibility
6 category prior to the imposition of semiannual status reporting and
7 on a quarterly basis after the imposition of semiannual reporting.
8 Within each eligibility category, the report also shall identify the
9 number of enrolled children in Medi-Cal managed care and in
10 fee-for-service Medi-Cal.

11 (2) The annual cost per child enrollee in managed care and by
12 cost category in fee-for-service prior to the imposition of
13 semiannual reporting and for the 2009–10 fiscal year.

14 (3) An analysis of enrollment interruptions and reinstatements
15 for children prior to the imposition of semiannual reporting and
16 for the 2009–10 fiscal year. The analysis shall include data on the
17 number of children disenrolled as a result of the semiannual
18 reporting requirement, the number of those children who were
19 subsequently reenrolled in Medi-Cal by duration of their enrollment
20 gap, and an analysis, to the extent feasible, of the extent to which
21 enrollment gaps resulted from the failure of families to file a
22 complete semiannual report versus a change in family
23 circumstances that resulted in a child no longer being eligible for
24 no-cost Medi-Cal coverage, and the number of children that
25 transitioned to the Healthy Families Program as a result of
26 semiannual reporting.

27 (4) An estimate of the additional annual county eligibility
28 administration costs or savings resulting from the processing of
29 semiannual reports for children, disenrollment processing,
30 reinstatement, reenrollment, and caseload reductions.

31 (b) For purposes of preparing the report, the department shall
32 seek funding, or participation from appropriate nonprofit
33 organizations, including foundations and universities, or both.

34 SECTION 1. It is the intent of the Legislature to accomplish
35 the goal of universal health care coverage for all California
36 residents within five years. To accomplish this goal, the Legislature
37 proposes to take all of the following steps:

38 (a) Ensure that Californians have access to affordable,
39 comprehensive health care coverage, including all California

1 children regardless of immigration status, with subsidies for
2 Californians with low incomes.

3 (b) Leverage and coordinate with federal health care programs
4 and available federal funding, to the greatest extent possible,
5 including, but not limited to, Medicaid and the State Children's
6 Health Insurance Program, in support of health care coverage for
7 low-income and disabled populations, and other health system
8 improvement goals.

9 (c) Maintain and strengthen the health insurance system and
10 improve availability, cost-effectiveness, and affordability of private
11 health care coverage for all purchasers, including employers,
12 employees, and individuals.

13 (d) Implement meaningful, systemwide cost containment
14 strategies, expand access to primary and preventive services, and
15 ensure effective management of chronic illnesses.

16 (e) Engage in early and systematic evaluation at each step of
17 the implementation process to identify the impacts on state costs,
18 the costs of coverage, employment and insurance markets, health
19 delivery systems, quality of care, and overall progress in moving
20 toward universal coverage.

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23 CORRECTIONS:

24 Title—Line 1.

25 Text—Pages 2 and 3.